
DIGEST

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Pierre

HB No. 660

Abstract: Requires property residual value insurers to notify the commissioner of insurance of any corporate structure changes within 60 days.

Present law requires property residual value insurers be licensed by the commissioner of insurance but does not require property residual value insurers to notify the commissioner of insurance of any changes in their corporate structure.

Proposed law requires property residual value insurers licensed in La. to notify the commissioner of insurance of any changes in their corporate structure. Such changes include but are not limited to:

- (1) Changes in officers or directors.
- (2) Changes in ownership.
- (3) Change in articles of incorporation.
- (4) A merger.
- (5) An addition or change of a trade name or "d/b/a".
- (6) Cessation of business in La.

Present law provides that the commissioner may suspend or revoke the license of a property residual value insurer.

Proposed law retains present law but also provides that the commissioner may levy a fine not to exceed \$1,000 in lieu of suspending or revoking the license.

Proposed law authorizes disciplinary action if a property residual value insurer fails to comply with any present law provision or lawful order of the commissioner.

Proposed law grants a 90-day grace period for reinstatement of a property residual value insurer's license when the insurer fails to timely pay the annual renewal fee or file the annual audited financial statement.

(Amends R.S. 22:382 and 389(A)(intro. para.); Adds R.S. 22:389(A)(5) and 389.1)

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Insurance to the original bill.

1. Specified that the commissioner may levy a fine of up to \$1,000 per violation.
2. Provided that the commissioner may impose a fine, revoke, or suspend a license for failure to comply with any provision of present law or a lawful order of the commissioner.
3. Provided a 90-day grace period for reinstatement of a license suspended for failure to timely pay the annual renewal fee or failure to timely file the annual audited financial statement.
4. Made various technical changes.

House Floor Amendments to the engrossed bill.

1. Made technical changes.